



# House of Representatives

General Assembly

**File No. 242**

February Session, 2008

Substitute House Bill No. 5750

*House of Representatives, March 27, 2008*

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT CONCERNING OUTDOOR ADVERTISING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) The Commissioner of  
2       Transportation shall offer a lease under the same terms and conditions,  
3       or similar terms and conditions that have been negotiated in good  
4       faith, to lessees of any lease terminated by the Commissioner of  
5       Transportation on or after November 1, 2007, concerning any state  
6       property being utilized for the purpose of outdoor advertising, unless  
7       (1) a structure, sign, display or device related to such use presents an  
8       imminent and immediate physical danger to the public, or (2) a  
9       material and significant change in circumstances has given rise to good  
10      cause for the termination of such lease. The commissioner shall not  
11      terminate, cancel or decline to renew any lease involving, relating to,  
12      or arising out of use of state property for outdoor advertising absent  
13      clear and convincing evidence that the lessee has materially breached  
14      the terms and conditions of the subject lease or that a structure, sign,  
15      display or device related to such use presents an immediate and

16 imminent physical danger to the public, provided the commissioner  
17 may terminate an existing lease if the state has awarded a contract for  
18 activities, including, but not limited to, building construction or road  
19 construction, reconstruction or expansion, that are incompatible with  
20 the continuing use of the property for outdoor advertising and such  
21 activities will commence within sixty days of the termination of the  
22 contract.

23 Sec. 2. (NEW) (*Effective from passage*) The Commissioner of  
24 Transportation shall not implement Executive Order No. Eighteen of  
25 Governor M. Jodi Rell.

26 Sec. 3. (*Effective from passage*) (a) There is established a Commission  
27 on Outdoor Advertising that shall be comprised of the following  
28 members: (1) Two members appointed by the speaker of the House of  
29 Representatives, one of whom shall be appointed to serve as cochair;  
30 (2) two members appointed by the president pro tempore of the  
31 Senate, one of whom shall be appointed to serve as cochair; (3) one  
32 member appointed by the majority leader of the House of  
33 Representatives; (4) one member appointed by the majority leader of  
34 the Senate; (5) one member appointed by the minority leader of the  
35 House of Representatives; (6) one member appointed by the minority  
36 leader of the Senate; (7) two members appointed by the Governor; and  
37 (8) the Commissioner of Transportation, or the commissioner's  
38 designee.

39 (b) All appointments to the commission shall be made no later than  
40 July 15, 2008. Any vacancy shall be filled by the appointing authority.

41 (c) The cochairs shall convene the first meeting of the commission  
42 no later than August 1, 2008.

43 (d) The commission shall study and evaluate outdoor advertising on  
44 state property, permit fees, outdoor advertising spacing, standards  
45 relating to outdoor advertising structures, devices or displays whose  
46 messages periodically change by electronic or mechanical process or  
47 by remote control, and penalties for noncompliance with relevant

48 laws, regulations and industry standards and codes. The commission  
49 shall submit a final report, including its findings and  
50 recommendations, to the Governor and the General Assembly in  
51 accordance with the provisions of section 11-4a of the general statutes  
52 not later than January 1, 2009.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section

**Statement of Legislative Commissioners:**

In Section 1. the word "provided" was replaced with "unless", and both of the conditions following "unless" were phrased in the affirmative, for clarity. In Sec. 2. the reference to an executive order was restated for accuracy.

**TRA**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

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**OFA Fiscal Note****State Impact:**

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Department of Transportation	TF - Precludes Revenue Loss	60,000	60,000
Legislative Mgmt.	GF - Cost	Potential Minimal	Potential Minimal
Department of Transportation	TF - Revenue Loss	Potential	Potential

Note: TF=Transportation Fund; GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill precludes the revenue loss associated with the Governor's Executive Order No. 18, which cancelled existing state contracts that generated an estimated \$60,000 in annual revenues to the Transportation Fund. To the degree that the bill conflicts with federal regulations regarding outdoor advertising, there could be a loss of federal funds.

The Department of Transportation can do the study of outdoor advertising described in the bill within its existing budgetary resources.

The bill permits members of the General Assembly to participate on the commission. The Office of Legislative Management would incur minimal costs associated with mileage reimbursement of 50.5 cents per mile if legislators participate on the commission.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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**OLR Bill Analysis****sHB 5750*****AN ACT CONCERNING OUTDOOR ADVERTISING.*****SUMMARY:**

This bill:

1. prohibits the transportation commissioner from implementing Governor Rell's Executive Order No. 18 regarding outdoor advertising signs;
2. requires the commissioner to offer a lease under the same or similar terms and conditions negotiated in good faith to any lessees of leases terminated on or after November 1, 2007, except if certain circumstances exist; and
3. creates an 11-member Commission on Outdoor Advertising to study and evaluate outdoor advertising on state property, permit fees, and related issues and report its findings and recommendations to the governor and legislature by January 1, 2009.

EFFECTIVE DATE: Upon passage

**EXECUTIVE ORDER NO. 18**

The bill prohibits the transportation commissioner from implementing Executive Order No. 18, which Governor Rell issued on February 6, 2008. The order went into effect immediately. The order:

1. prohibits execution of any new contracts for the erection or maintenance of outdoor advertising structures, devices, or displays on state-owned property, and

2. prohibits the exercise of any renewal options in existing contracts for these purposes.

### **DEPARTMENT OF TRANSPORTATION OUTDOOR ADVERTISING SIGN LEASES**

The bill requires the transportation commissioner to offer a lease under the same terms and conditions, or similar terms and conditions that have been negotiated in good faith, to lessees of any lease terminated by the commissioner on or after November 1, 2007 governing the use of state property for outdoor advertising. The provision does not apply when (1) a sign, structure, display, or device presents an imminent and immediate physical danger to the public or (2) a material and significant change in circumstances has given rise to good cause for termination of a lease.

The bill prohibits the commissioner from terminating, canceling, or declining to renew any lease involving, relating to, or arising out of the use of state property for outdoor advertising in the absence of clear and convincing evidence that the lessee has materially breached the lease terms and conditions or that the device, sign, display, or structure presents an imminent physical danger to the public. But the commissioner may terminate an existing lease if the state has awarded a contract involving construction of a building or construction, reconstruction, or expansion of a highway that is incompatible with continued use of the property for outdoor advertising and the contracted-for activities will begin within 60 days of termination of the "contract" (this appears to mean the lease for the outdoor advertising display).

### **COMMISSION ON OUTDOOR ADVERTISING**

The members of the commission are appointed as follows:

1. the transportation commissioner or his designee;
2. two by the House speaker, including one to serve as co-chairperson;

3. two by the Senate president pro tempore, including one to serve as a co-chairperson;
4. one each by the House and Senate majority leaders;
5. one each by the House and Senate minority leaders; and
6. two by the governor.

All of the appointments must be made by July 15, 2008 and the co-chairpersons must convene the first meeting by August 1, 2008.

The commission must study and evaluate outdoor advertising on state property; permit fees; the spacing of outdoor advertising; standards for outdoor advertising structures, devices, or displays with messages that periodically change by electronic or mechanical means or by remote control; and penalties for failing to comply with relevant laws, regulations, and industry standards and codes. It must submit its findings and recommendations to the governor and legislature by January 1, 2009.

### **COMMITTEE ACTION**

Transportation Committee

Joint Favorable Substitute

Yea 28      Nay 3      (03/07/2008)